

## Article - Natural Resources

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§3–116.

The Service, by resolution adopted by a majority of the Board, may:

(1) Issue, prior to the preparation of definitive bonds, interim receipts or temporary bonds exchangeable for definitive bonds when these bonds have been executed and are available for delivery;

(2) Issue and sell its bond anticipation notes, revenue anticipation notes, or grant anticipation notes the principal of and interest on these notes to be made payable to the bearer or registered holder out of the first proceeds of the sale of any bonds, revenues or grants, as the case may be, issued under this subtitle, or from any other available money of the Service, but the authorizing resolution may make provision for the issuance of bond anticipation notes in series as funds are required and for the renewal of these notes at maturity, with or without resale. The issuance of notes and the details thereof, the rights of the holders, and the rights, duties, and obligations of the Service in respect thereto, are governed by the provisions of this title relating to bonds, insofar as these provisions may be applicable. A grant anticipation note may be issued or sold only after receipt of written commitment of the federal or State government or agency making the grant; and

(3) Issue and sell its revenue bonds or notes for the purpose of borrowing money to lend to any person or municipality for the accomplishment by such person or municipality of a project or projects. The principal of and interest on the bonds or notes may be made payable out of:

(i) The revenues received by the Service from such person or municipality or otherwise received in connection with such project;

(ii) Any property pledged or mortgaged as security for such bonds or notes; or

(iii) Any other sources designated by the Service. The authorizing resolution may make provision for the issuance of such bonds or notes in series as funds are required. The issuance of bonds or notes and the details of the issuance, the rights of the holders of the bonds or notes, and the rights, duties, and obligations of the Service of the bonds and notes shall be governed by the provisions of this subtitle relating to bonds insofar as those provisions are applicable. The Service may make or approve such provisions in connection with the issuance of the bonds or notes authorized by this subsection, including the security for such bonds or

notes, the priority of the bonds or notes with regard to such security (which priority may be senior, or subordinated to, or on a parity with, other obligations) as the Service may deem necessary or appropriate to effectuate the acquisition, construction, or provision of a project by any person or municipality. However, the Service does not have power to take any action in connection with the issuance of bonds or notes pursuant to this paragraph which would create any obligation on the part of any municipality without the consent of the municipality to the obligation.

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